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15 UNITED STATES BANKRUPTCY COURT  
16 NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

17 In re:

18 PG&E CORPORATION

19 - and -

20 PACIFIC GAS AND ELECTRIC  
COMPANY,

21 Debtors.

<input type="checkbox"/>	Affects PG&E Corporation
<input type="checkbox"/>	Affects Pacific Gas and Electric Company
<input checked="" type="checkbox"/>	Affects both Debtors

22 Bankruptcy Case  
23 No. 19-30088 (DM)

24 Chapter 11

25 (Lead Case)

26 (Jointly Administered)

27 Date: June 24, 2020  
Time: 10:00 a.m.  
Ctrm: 17  
Judge: Dennis Montali

28 **CALIFORNIA STATE AGENCIES' OBJECTION TO MOTION FOR ORDER  
APPROVING (A) PROCEDURES FOR FILING OMNIBUS OBJECTIONS TO CLAIMS  
AND (B) THE FORM AND MANNER OF THE NOTICE OF OMNIBUS OBJECTIONS  
[DOCKET NO. 7758]**

1                   The California Department of Forestry and Fire Protection, California Department of  
2 Toxic Substances Control, California State University, California Coastal Commission, California  
3 Department of Parks and Recreation, California Department of Fish and Wildlife, California  
4 Department of Transportation, California Department of Developmental Services, California  
5 Department of Conservation, California Geologic Energy Management Division (formerly  
6 Division of Oil, Gas and Geothermal Resources), California Regional Water Quality Control  
7 Boards, California State Water Resources Control Board, California Air Resources Board, San  
8 Francisco Bay Conservation and Development Commission, California Department of Housing  
9 and Community Development, California State Lands Commission, and California Department of  
10 Water Resources, by and through its California Energy Resources Scheduling Division and on  
11 behalf of the State Water Project (collectively, the “California State Agencies”), including on  
12 behalf of any other agencies of the State of California, hereby object to the *Motion for Order*  
13 *Approving (A) Procedures for Filing Omnibus Objections to Claims and (B) the Form and*  
14 *Manner of the Notice of Omnibus Objections* (“Procedures Motion”) [Docket No. 7758] on the  
15 following three grounds.<sup>12</sup>

16                   1.       The proposed Omnibus Claim Objection Procedures require that, in addition to a  
17 concise statement setting forth the reasons why the bankruptcy court should not sustain the  
18 objection (including the specific factual and legal bases upon which the claimant will rely in  
19 opposing the objection), the Response must include (i) a copy of **any other** documentation or  
20 evidence to the extent not included in the proof of claim on which the claimant will rely in  
21 opposing the objection and (ii) a declaration under penalty of perjury of a person with personal  
22 knowledge of the relevant facts in support of the Response. Procedures Motion at ¶ 9(a).

23                   2.       Bankruptcy Local Rule 9013-1(d) requires a party to support factual contentions  
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25                   <sup>1</sup> Several of the California State Agencies believe that their respective claims are not subject to  
26 the provisions of the Omnibus Objection Procedures because their claims have been settled or  
27 will pass through the bankruptcy as if no bankruptcy had been filed. However, since the Plan has  
not yet been confirmed, this objection is filed as to all of the California State Agencies out of an  
abundance of caution.

28                   <sup>2</sup> Capitalized terms not otherwise defined herein shall have the meaning as the Procedures  
Motion.

1 made in support of an opposition by declarations or affidavits. However, the Bankruptcy Local  
2 Rules do not require that **all evidence** in response to a claim objection be filed with the response  
3 and, in fact, the Bankruptcy Local Rules provide that, if there is a factual dispute regarding a  
4 claim objection, the initial hearing on that claim objection is deemed a status conference at which  
5 the bankruptcy court will not receive evidence. B.L.R. 3007-1(b). The California State Agencies  
6 object to the Procedures Motion to the extent that the failure of a Claimant to include evidence  
7 with the Response would preclude a California State Agency from conducting discovery with  
8 respect to an Omnibus Objection and/or introducing other facts or documents in support of the  
9 Response.

10       3.     The Procedures Motion proposes that a Response to an Omnibus Objection “will  
11 be deemed timely served *only if* a copy of the Response is *actually received* by counsel for the  
12 Debtors on or before the deadline to respond” to the Omnibus Objection. Procedures Motion at ¶  
13 9(d) (emphasis added). A Claimant responding to an Omnibus Objection is not in control of  
14 whether counsel for the Debtors actually receives a Response. The only requirement for serving a  
15 Response should be that the Response is served by email or mail on counsel for the Debtors on or  
16 before the deadline to respond, not that counsel for the Debtors actually receives the Response.

17       4.     The proposed Omnibus Claim Objection Procedures require that the Response  
18 include the name, address and telephone number of the Claimant and/or Claimant’s attorney  
19 and/or a designated representative of the Claimant to whom counsel for the Debtors should serve  
20 a reply to the Response (defined as the “Notice Address”). And, if the Notice Address is different  
21 from the address in the proof of claim, the Notice Address will become the future service address  
22 with respect to all of Claimant’s proofs of claim listed in that Omnibus Objection. Procedures  
23 Motion at ¶ 9(a)(vi). The California State Agencies object to the blanket change of address for  
24 proofs of claim of a California State Agency. The Debtors should be required to serve the  
25 addresses in the proof of claim and the Notice Address. Agencies of the State of California may  
26 have different individuals to whom proofs of claim in an Omnibus Objection are addressed and  
27 having future correspondence with respect to all claims of an agency of the State of California  
28 that are included in an Omnibus Objection go to one attorney because of a response to a claim

1 objection will lead to confusion and likely prejudice.

2 **RESERVATION OF RIGHTS**

3 The California State Agencies reserve the right to join in other objections to the Omnibus  
4 Objection Procedures filed by other parties in interest, including other Governmental Units.

5 Neither this objection nor any subsequent appearance, pleading, proof of claim, claim or  
6 suit is intended or shall be deemed or construed as:

7 a. a consent by the California State Agencies to the jurisdiction of this Court  
8 or any other court with respect to proceedings, if any, commenced in any case against or  
9 otherwise involving the California State Agencies;

10 b. a waiver of any right of the California State Agencies to (i) have an  
11 Article III judge adjudicate in the first instance any case, proceeding, matter or controversy as to  
12 which a Bankruptcy Judge may not enter a final order or judgment consistent with Article III of  
13 the United States Constitution, (ii) have final orders in non-core matters entered only after de  
14 novo review by a District Court Judge, (iii) trial by jury in any proceeding so triable in the  
15 Chapter 11 Cases or in any case, controversy, or proceeding related to the Chapter 11 Cases,  
16 (iv) have the United States District Court withdraw the reference in any matter subject to  
17 mandatory or discretionary withdrawal, or (v) any and all rights, claims, actions, defenses, setoffs,  
18 recoupments or remedies to which the California State Agencies are or may be entitled under  
19 agreements, in law or in equity, all of which rights, claims, actions, defenses, setoffs and  
20 recoupments are expressly reserved hereby; or

21 c. a waiver of any objections or defenses that the State of California, the  
22 California State Agencies or any other agency, unit or entity of the State of California may have  
23 to this Court's jurisdiction over the State of California, the California State Agencies or such  
24 other agency, unit or entity based upon the Eleventh Amendment to the United States

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1 Constitution or related principles of sovereign immunity or otherwise, all of which objections and  
2 defenses are hereby reserved.

3 Dated: June 17, 2020

Respectfully submitted,

4 XAVIER BECERRA  
5 Attorney General of California  
6 MARGARITA PADILLA  
7 Supervising Deputy Attorney General

8 By: /s/ Paul J. Pascuzzi  
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12 WILLOUGHBY PASCUZZI & RIOS LLP  
13 Attorneys for California Department of Forestry and  
14 Fire Protection, California Department of Toxic  
15 Substances Control, California State University,  
16 California Coastal Commission, California Department  
17 of Parks and Recreation, California Department of Fish  
18 and Wildlife, California Department of Transportation,  
19 California Department of Developmental Services,  
20 California Department of Conservation, California  
21 Geologic Energy Management Division (formerly  
22 Division of Oil, Gas and Geothermal Resources,  
23 California Regional Water Quality Control Boards,  
24 California State Water Resources Control Board,  
25 California Air Resources Board, San Francisco Bay  
26 Conservation and Development Commission, California  
27 Department of Housing and Community Development,  
28 California State Lands Commission and California  
Department of Water Resources

## **PROOF OF SERVICE**

I, Susan R. Darms, declare:

I am a resident of the State of California and over the age of eighteen years, and not a party to the within action; my business address is 500 Capitol Mall, Suite 2250, Sacramento, CA 95814. On June 17, 2020, I served the within document(s):

**CALIFORNIA STATE AGENCIES' OBJECTION TO MOTION FOR ORDER  
APPROVING (A) PROCEDURES FOR FILING OMNIBUS OBJECTIONS TO CLAIMS  
AND (B) THE FORM AND MANNER OF THE NOTICE OF OMNIBUS OBJECTIONS  
[DOCKET NO. 7758]**

By Electronic Service via CM/ECF to all registered participants in this case as of June 17, 2020.

/s/ Susan R. Darms

SUSAN R. DARMS